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ABSTRACT

Innovative programs in higher education that have been supported by American business during 1978-80 are described. Programs that have been selected for overall excellence, as part of the awards program sponsored by the Council for Financial Aid to Education, are examined, as are programs judged to have merit. The following award-winning programs are considered: "Money for Self-Study" (Metropolitan Life Foundation); "Creating New Capabilities in Science:" preparing minority students for technical careers (Rockwell International Corporation); and "Investing Money to Endow the Future:" cost-effective on-campus projects (Union Pacific Foundation). Among the 17 entries of special merit are the following: "Making Grant Recipients Business Partners:" combines cash grants to institutions with equity investments in their company (The Andersons); "Rewards for Problem-Solving Programs:" smaller colleges (Brunswick Foundation); "Adding Manpower to Money for a Career-Training Program:" combines expert help and funds needed to produce black bankers (Chase Manhattan Bank); "Compliments of the Season--To a College and Customers" (Colony Materials, Inc.); "A Leadership Challenge to an Entire Business Community:" mobilizes citywide support for a local university (Commonwealth Electric Company); "Funding Cooperative Community Projects in Education:" six colleges and seminaries are encouraged to pool their interests (Dubuque Packing grants); and "Low-Cost Loans That Build Endowment Funds:" loan program for black colleges (Equitable Life Assurance Society). (SW)

Outstanding entries from the *Annual Awards Program for Innovation in Corporate Support of Higher Education*, sponsored by C.I.T. Financial Corporation in honor of the Council for Financial Aid to Education.

ED195194

Twenty New Ways To Help Our Colleges

U S DEPARTMENT OF HEALTH, EDUCATION & WELFARE
NATIONAL INSTITUTE OF EDUCATION

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C.I.T. Financial Corporation
650 Madison Avenue
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October 1980

Foreword

In recognition of the Twenty-fifth Anniversary of the founding of the Council for Financial Aid to Education, C.I.T. Financial Corporation was pleased to establish a five-year program beginning in 1978, the Awards Program for Innovation in Corporate Support of Higher Education. This is an annual competition leading to a one-time grant of $10,000 in honor of the corporation judged to have initiated, among all entries, the most innovative program in support of higher education. The prize sum is awarded to a higher educational institution designated by the winning company.

This Program has two objectives. The first is to identify and give recognition to pioneering approaches in support of higher education by the business community. The second is to encourage other companies to develop similar new ways to expand the scope and dollar amount of their investments in our institutions of higher learning.

This booklet has been prepared to serve the latter purpose. The panel of judges has acknowledged having the greatest difficulty in choosing one winner from each year's entries, for the level of overall excellence has been high.

We hope the case histories presented here will stimulate new, better and more generous ways for the American corporate community to respond to the critical and ever-increasing financial needs of the nation's colleges and universities.

The Program is administered by the Council for Financial Aid to Education, 680 Fifth Avenue, New York, NY 10019, to which entries may be submitted. Entries will be welcomed from educational institutions, individuals in the academic community, state or regional independent college funds or company foundations or corporations sponsoring eligible programs. No formal applications or entry forms are required.

C.I.T. is grateful to William L. Wilson for his valuable contribution in the planning and writing of this booklet.

Twenty New Ways To Help Our Colleges

Award-Winning Programs

1 **Money for Self-Study—1980 Winner**
The Metropolitan Life Foundation underwrites programs for institutional self-analysis.

2 **Creating New Capabilities in Science—1979 Winner**
Rockwell International Corporation pioneers in preparing minority students for technical careers.

3 **Investing Money to Endow the Future—1978 Winner**
The Union Pacific Foundation funds cost-effective on-campus projects.

Entries of Special Merit: 1978-80

4 **Making Grant Recipients Business Partners**
The Andersons combine cash grants to institutions with equity investments in their company.

5 **Rewards for Problem-Solving Programs**
The Brunswick Foundation recognizes the self-improvement achievements of smaller colleges.

6 **Adding Manpower to Money for a Career-Training Program**
The Chase Manhattan Bank gives expert help as well as the funds needed to produce black bankers.

7 **Compliments of the Season—To a College and Customers**
Colony Materials, Inc. converts its annual customer gift-giving to aid to education.

8 **A Leadership Challenge to an Entire Business Community**
Commonwealth Electric Company, with others, mobilizes citywide support for a local university.

9 **Funding Cooperative Community Projects in Education**
Six colleges and seminaries are encouraged to pool their interests by Dubuque Packing grants.

10 **Low-Cost Loans That Build Endowment Funds**
The Equitable Life Assurance Society spearheads a self-liquidation loan program for black colleges.

11 **The Bread Pan That Went to College**
Hotwork, Inc. and Alfred University create a profitable business partnership.

12 **Leveraging Dollars with Leadership**
The INA Foundation establishes career opportunities in insurance for minority students.

13 **Often Better Than Cash—Gifts in Kind**
An example of a smaller company materially aiding education is demonstrated by the Innes Brothers.

14 **Putting Corporate Scholarships on a Permanent Footing**
Kaiser Aluminum and Chemical Corporation endows a broad scholarship program.

15 **A New Gift-Matching Constituency**
The Lutheran Brotherhood identifies two innovative gift-matching opportunities.

16 **A Scoring Play for a Local College**
The Miami Dolphins Football Club gives practical recognition to professional football's debt to our colleges.

17 **Donations to Produce Doctors**
Creating a supply of physicians for an underserviced region is undertaken by Stackpole Carbon Company.

18 **Multiplying Support through Advertising**
The Stedman Corporation supports an advertising campaign to business on behalf of a local college.

19 **A Tax Windfall for California's Colleges**
Savings from a reduction in taxes are channelled to private colleges by the United California Bank.

20 **Expense-Cutting Programs That Pay Off Twice**
The United States Steel Foundation rewards campus cost-cutting efforts.

Judging

A panel of independent judges selects the annual winner. The panel and the years they have served include:

George W. Bonham, Executive Director, Council on Learning– 1978, 1979, 1980.

John Crowl, Executive Editor, *The Chronicle of Higher Education*– 1980.

Paul J. Franz, Vice President for Development, Lehigh University– 1978, 1979.

Corbin Gwaltney, Editor, *The Chronicle of Higher Education*– 1978, 1979.

Michael J. Luck, President, Rutgers University Foundation– 1980.

Kenneth A. Randall, President, The Conference Board – 1978, 1979, 1980.

William L. Wilson, retired Vice President, C.I.T. Financial Corporation and former Vice President & Secretary of the C.I.T. Foundation—1978, 1979, 1980.

1

Innovation Award Winner for 1980

Money for Self-Study

The Sponsor: Metropolitan Life Foundation (Metropolitan Life Insurance Company), New York, N.Y.

The Program in Brief: Cash awards are made on a competitive basis to accredited four-year colleges and universities in the United States and Canada to enable the institutions to conduct self-study research projects intended to give them a better understanding and implementation of some aspect of themselves, their needs and their future directions.

History of the Program: In 1974, Metropolitan established an educational grant program to honor its retired Chairman of the Board and Chief Executive Officer, Gilbert W. Fitzhugh. The five-year program increased Metropolitan's knowledge of the current interests and needs of colleges and universities and awareness of the fact that many institutions have problems they would like to address and that the solutions to some of these problems are imperative.

The Metropolitan Life Foundation therefore adopted a program to make grants to eligible institutions to enable them to engage in meaningful explorations of their missions and activities. Award-winning proposals were to be those holding forth promise of identifying, analyzing and, most importantly, finding solutions for significant problems faced by the individual institutions.

Awards of $5,000 and $10,000, totaling $75,000 a year, are being made for a three-year period. Because of the large number of institutions that would be eligible if the competition were conducted on an annual basis among all accredited institutions in the United States and Canada, eligibility has been scheduled on a regional basis from year to year.

Submission of competitive proposals may be made on behalf of any eligible institution not only by its administration but also by students or faculty members. They are judged by a committee of seven persons, five being educational administrators or faculty members and two representing the sponsor.

Metropolitan intends, at the conclusion of the program in 1982, to publish a booklet describing all the award-winning projects. The purpose will be to increase the program's impact on the educational community as a whole by bringing attention to what others have done in the self-study area, since all award-winning proposals are expected to be broadly replicable.

Evaluation of proposals takes into account such factors as the originality of the program, the competence of those who are to implement it, the reasonableness of the plan for the institution, the social and educational significance of the plan and its applicability to other institutions.

Assessment of the Program: This is a very innovative approach toward providing meaningful corporate support to higher education by encouraging and helping colleges and universities to identify and solve their critical management and instructional problems and needs. The funds made available have a highly strategic value for the amounts involved. The emphasis on the quality of replicability holds promise that the immediate results of the grant for the benefiting institutions may have a far-reaching impact upon others.

For Further Information: President, Metropolitan Life Foundation, One Madison Avenue, New York, NY 10010.

Entered by: Metropolitan Life Foundation.

By designation of the Metropolitan Life Foundation, the C.I.T. Innovation Award of $10,000 for 1980 was contributed in the name of the Metropolitan Life Foundation to Beloit College, Beloit, Wis.

2

Innovation Award Winner for 1979

Creating New Capabilities In Science

The Sponsor: Rockwell International Corporation, Pittsburgh, Pa.

The Program in Brief: A major pilot effort to establish centers for advanced research and teaching in high technology areas at two predominately black institutions.

History of the Program: The program had its inception when, after considerable study, the Rockwell International Science Center, located at Thousand Oaks, Cal., proposed that the corporation develop sophisticated research programs in solid-state electronics at two traditionally black schools. The institutions selected were North Carolina A. & T. State University, at Greensboro, N.C., and Howard University, Washington, D.C.

Both were invited to share and advance the corporation's considerable concentration in gallium arsenide solid state electronics. This work was specialized at Howard in the area of microwave technology to relieve congestion in the lower end of the electromagnetic spectrum because of the increase in radio broadcasting. At North Carolina A. & T., the program focused on research to convert solar cell activity and devices into electric energy.

The Electrical Engineering Department of Cornell University was retained through a grant to help organize and oversee the two programs.

Rockwell provided the two universities with laboratory equipment and assisted in installation and start-up of the research programs. By the end of 1979, Rockwell's support for the program exceeded $1.2 million and the value of the gallium arsenide technological advances is estimated at far more than that amount. In addition to this direct support, the two universities have been able to use the Rockwell technology as the basis for receiving over $1 million in grants and contracts from the National Aeronautic and Space Administration and the federal Department of Energy.

Assessment of the Program: The Rockwell concept already has demonstrated that it works—and works well. Both schools have established outstanding research and advanced degree programs in solid-state electronics and have generated significant external support. The award winner can be an example to other corporations of the effectiveness of a good idea carried out thoughtfully and thoroughly.

For Further Information: Manager, Commercial & University Programs, Rockwell International Corporation, Science Center, P.O. Box 1085, Thousand Oaks, CA 91360.

Entered by: Rockwell International Science Center.

By designation of Rockwell International Corporation the C.I.T. Innovation Award of $10,000 for 1979 was contributed in the name of Rockwell to North Carolina Agricultural and Technical State University, Greensboro, N.C.

3

Innovation Award Winner for 1978

Investing Money To Endow The Future

The Sponsor: Union Pacific Foundation (Union Pacific Railroad), New York, N.Y.

The Program in Brief: Grants are made to institutions to fund specific projects that demonstrably will either permanently reduce operating expenses or produce increased income for the recipients.

History of the Program: Beginning in the mid-1970s, the officers of the Union Pacific Foundation began to respond to applications from educational institutions for financial support by informing them that the Foundation preferred to provide the funds for specific programs that the institutions could not presently afford but which held the promise of improving their financial condition either by reducing operating expenses or providing new sources of income.

In the usual case, the Foundation observed, there were such opportunities on every campus, which the institution's staff fully recognized. Despite their obvious merits, however, in most cases the needed funds to implement these projects were not available.

Scores of proposals have been made to the Foundation in response to this invitation and, after careful cost-effectiveness analysis by the Foundation staff or other qualified persons, many have been funded. The Foundation notes that additional, indirect benefits have resulted from the program because it has been possible to share the information and experiences derived from the various projects with other institutions. Many have been adopted elsewhere with similar success.

Typical of the projects that have been funded are these:

- replacement of worn-out steam pipe system
- start-up costs for a new graduate school of business administration, which consisted principally of funding the organizational preparations for such a course
- new compressors for a university's skating rink to make it possible to rent time on the rink to outside activities
- grant to improve campus sewer systems, thus reducing maintenance and repair costs
- conversion of heating equipment to electricity (the cheapest form of energy in the area) and a consequent reduction of energy costs
- installation of thermal glass to replace old wood-framed windows
- grant to increase the size of a college's bookstore and thus of its net income

Assessment of the Program: "Union Pacific Foundation has found ways of providing additional income [to educational institutions]. . . that is obviously as good as dividends from gilt-edged endowment securities." —*The Contributions Executive*, March 1977, Council for Financial Aid to Education.

For Further Information: President, Union Pacific Foundation, 345 Park Avenue, New York, NY 10022.

Entered by: Union Pacific Foundation.

By designation of the Union Pacific Foundation, the C.I.T. Innovation Award of $10,000 for 1978 was contributed in the name of the Union Pacific Railroad to the College of Idaho, Caldwell, Idaho.

4

Making Grant Recipients Business Partners

The Sponsor: The Andersons, Maumee, Ohio.

The Program in Brief: A privately-owned company makes provision for at least one-third of its contributions to higher education or other grant recipients to be invested in the partnership, creating a continuing source of endowment income for these limited partners.

History of the Program: The Andersons are a major agribusiness organization, ranking among the 25 largest business partnerships in the nation. They have an established policy of contributing 20% of their before-tax earnings either to charitable organizations or to their charitable foundation. In 1975, they extended this program by adopting a plan whereby educational institutions or certain other types of recipients in the Toledo, Ohio, area would be expected to invest at least one-third of these contributions in the partnership, thus becoming limited partners in this very profitable business. Called "community partners," these investors receive returns on their investments equal to one-half that paid to the working partners.

Ohio State University was the first institution to receive a grant on these terms. Over a two-year period, $500,000 was given to the University. The University was so impressed with the investment opportunity it was offered that it became a limited partner for the full amount of the grants. It could, of course, have retained two-thirds of the sum for other purposes.

It is to be noted that, in addition to their liberal monetary philanthropic programs, the Anderson organization is well-known in the Toledo area for the contributions of partners' and employees' time and other resources that it makes to many of the organizations it supports.

Assessment of the Program: Making possible the highly-rewarding investment of a portion of its contributions into its own business is obviously an outstanding example of generosity in business philanthropy, producing a long-term source of income for the organizations it wishes to benefit.

For Further Information: Senior Partner, The Andersons, P. O. Box 119, Maumee, OH 43537.

Entered by: The University of Toledo.

5

Rewards for Problem-Solving Programs

The Sponsor: The Brunswick Foundation (Brunswick Corporation), Skokie, Ill.

The Program in Brief: Ten unrestricted grants of $3,000 each were made to colleges with enrollments of 3,000 or less that were judged to have performed outstandingly in implementing action programs to meet the difficult problems that face small, private colleges as a group.

History of the Program: Aware of the problems confronting small colleges, The Brunswick Foundation felt it important to find ways to assist the small college in these difficult times. It, therefore, decided to look for standards of excellence in terms of demonstrable progress that such colleges are making to maintain areas of quality and improve areas of weakness. The objective would be to seek out, encourage, recognize and reward those schools most actively and effectively insuring their survival by preparing and implementing action plans for the 1980s.

Applications for the competition were sent to the presidents of all private colleges with enrollments of 3,000 or less. Each college was to be judged on the following:

Enrollment—The ways in which the college had improved its marketing effort to increase enrollment.

Finance—What the college had done to maintain financial stability or cause a turnaround in its financial position.

Innovation—What the college had done innovatively to develop its personnel, to place its graduates, or to develop its educational programs.

Relationships—What exciting and mutually beneficial cooperative relationships the college had developed with its local industrial and business communities.

Free Enterprise—The ways in which the college had attempted to support and promote an understanding of free enterprise through its academic teaching program.

The response far exceeded the expectations of the Foundation, with 470 colleges submitting proposals.

A committee of educators from a graduate school of education and businessmen were oriented on the criteria and then read each of the 470 proposals. These were cut down to 125, at which time the dean of the graduate school of education and the Foundation administrator joined the original readers to evaluate the proposals and reduce the list to 25. The Brunswick Foundation Committee, comprised of eight company executives, read the final 25 proposals and through a secret vote made the final choices.

Members of the Foundation Committee visited the campuses and made personal presentations to the 10 winning college presidents and had an opportunity to meet board members and administrators, tour the campuses and review projects enumerated in the proposals.

Assessment of the Program: "What you are doing for private higher education is very gratifying to us and we will do all we can to measure up to your expectations. . . . We find the vote of confidence which the Brunswick Foundation has given to our college to be very important as it seeks to respond to the challenges of the times and the needs of its students."—From statements by competing college presidents.

For Further Information: Administrator, The Brunswick Foundation, Inc., 1 Brunswick Plaza, Skokie, IL 60076.

Entered by: The Brunswick Foundation.

6

Adding Manpower to Money for a Career-Training Program

The Sponsor: The Chase Manhattan Bank, N.A., New York, N.Y.

The Program in Brief: To pioneer the expansion of career opportunities in finance for black students through the contribution of both funds and expertise to the establishment of a teaching program at Tuskegee Institute.

History of the Program: In the mid-1970s, the Chase Manhattan Bank decided to assist the U.S. banking industry in its search for qualified black college graduates. To accomplish this, a team of Chase officers visited the business departments at several predominately black colleges. On each campus, they held a series of candid interviews with college administrators, business faculty and students. Out of this process, Tuskegee Institute was selected by Chase as the institution for their demonstration program.

Committed to a partnership venture, the Bank provided a full-time Chase Executive-on-Loan to work closely with business faculty in developing a minor curriculum consisting of 18 semester hours. The Chase professor was a full-time classroom instructor during the initial year of this program. To support the program, Chase also provided grants that have been used to purchase supplies, equipment and library resources, make modest renovations to the building that houses the Department of Business and provide increased opportunities for faculty and students to attend professional meetings.

The first students were enrolled in the program in January 1978. In the first year of its operation (January-December 1978), the program received a warm reception from Tuskegee students, 83 of whom enrolled in the banking courses.

Beginning in January 1979, the Chase-Tuskegee Program entered a new phase. Between January and June 1979, a second Chase professor was engaged in part-time classroom instruction. The remainder of his time was devoted to curriculum refinement and evaluation, developing a banking/finance manual and establishing relationships for the Department with financial trade groups in the geographic area and making an analysis of similar programs at selected universities for possible improvement and expansion of the Tuskegee program. After June 1, 1979, Chase no longer found it necessary to have an Executive-on-Loan to Tuskegee Institute. All teaching responsibilities have been assumed by the Tuskegee Institute faculty.

Assessment of the Program: "What is so unusual in this instance is the initiative and cooperative involvement of Chase Manhattan Bank in the development and implementation of the banking/finance curriculum, as well as other supportive services to the Tuskegee Department of Business."—Velma L. Blackwell, Vice President for Developmental Affairs, Tuskegee Institute.

For Further Information: Contributions Director, The Chase Manhattan Bank, N.A., One Chase Manhattan Plaza, New York, NY 10015.

Entered by: Tuskegee Institute.

7

Compliments of the Season—To a College And Customers

The Sponsor: Colony Materials, Inc., Santa Fe, N.M.

The Program in Brief: A local businessman substituted an unrestricted gift to the endowment fund of the College of Santa Fe for his annual cash outlay for Christmas gifts to valued customers, giving recognition by name through the gift to each individual he was thanking.

History of the Program: In 1979, Philip Naumburg, president of Colony Materials, Inc., and long a friend and supporter of the College of Santa Fe, conceived the idea that, instead of sending what he describes as "cheese and crackers" gifts to his clients as an expression of his thanks for their patronage, he would apply the same amount of money to make an unrestricted gift to the College in their names. He felt this would be more meaningful and constructive because almost all of these business friends were members of the local community and were familiar with the College and its contributions to the purposes of higher education.

He had usually made about 150 gifts each Christmas at a cost of some $2,000. This was the amount he was able to present to the College as an addition to his regular financial support to it. An appropriate card of thanks was prepared and sent by the College to those being recognized.

Mr. Naumburg received an excellent response in terms of both praise and appreciation from his customers as a whole and has continued the program on an annual basis.

Assessment of the Program: "We think the donor's inspiration is a rather unique one that can easily be replicated by other companies large and small. Moreover, it gives many other companies an indirect supportive liaison with the college that, in turn, will hopefully generate other gifts."—Greg Robertson, Director of Development, College of Santa Fe.

For Further Information: President, Colony Materials, Inc., Box 4337, Santa Fe, NM 87502.

Entered by: College of Santa Fe.

8

A Leadership Challenge to an Entire Business Community

The Sponsor: Commonwealth Electric Company and seven other corporations, Lincoln, Neb.

The Program in Brief: To pledge an annual amount to be used to match on a one-for-one basis all contributions up to an established maximum made by the rest of the corporate community of Lincoln to the Great Teaching Program at Nebraska Wesleyan University.

History of the Program: In 1978, Commonwealth Electric Company spearheaded a commitment by it and seven other leading companies in the Lincoln, Neb., area to establish a new concept and goal to marshal financial support of the business community of Lincoln for Nebraska Wesleyan University, which is located in that city. This involved creating a $100,000 challenge fund from which contributions would be made on a dollar-for-dollar basis to match all other contributions from local business interests to the University's Great Teaching Program, up to the $100,000 maximum.

In the first year, the program topped the goal, raising $216,000. In 1979, the challenge fund was increased to $150,000 and once again the campaign went over the top. In subsequent years, it has enjoyed continuing success.

The other corporate members of the "challenge" group were Bankers Life of Nebraska, First Federal Savings and Loan Co., First National Bank and Trust Co., Journal-Star Printing Co., Lincoln Telephone and Telegraph Co., State Federal Savings and Loan Co. and Woodmen's Accident and Life Insurance Co. A local foundation, The Cooper Foundation, also participated.

Assessment of the Program: "The program helped [the University] assure a balanced operating budget, established the concept of annual fund support in the Lincoln community, broadened the base of giving, developed new contacts, attracted positive press coverage and raised the sights of all Nebraska Wesleyan constituents and emphasized the importance of annual support."—Jack R. Ohle, Vice President for Institutional Advancement, Nebraska Wesleyan University.

For Further Information: Contributions Director, Commonwealth Electric Company, 1901 Y Street, Lincoln, NE 68503.

Entered by: Nebraska Wesleyan University.

9

Funding Cooperative Community Projects In Education

The Sponsor: Wahlert Foundation (Dubuque Packing Company), Dubuque, Iowa.

The Program in Brief: To support cooperative programs involving either the three private institutions of higher education in Dubuque or the three theological seminaries located there.

History of the Program: The donors to the Wahlert Foundation are Dubuque Packing Company and its officers. About 1976, R.C. Wahlert, chairman of the packing company's executive committee, reached the conclusion that one of the missions of the Foundation should be to encourage and assist the city's educational institutions to develop new cooperative projects, thereby achieving results that in all likelihood would be beyond the resources and capabilities of any one institution. The three liberal arts colleges in the city, which has a population of 65,000, are Clarke College, Loras College and the College of Liberal Arts of the University of Dubuque. The three theological seminaries are Aquinas Institute, Wartburg Seminary and the University's Theological Seminary.

The Foundation challenged these institutions to devise and propose joint programs for community and educational benefit for it to fund. The institutions responded with enthusiasm. The first to be adopted, at a first-year cost to the Foundation of $31,920, was the establishment of a single Department of Education under the so-called Tri-College Cooperative Effort. This was in 1978. The second was the creation of an adult degree program for the community, drawing on the teaching and facilities resources of the three colleges. The original cost was $25,000.

The theological seminaries proposed to develop a unified library management system. The Foundation agreed to underwrite the extraordinary expenses of this project, making grants to it of $30,000 for the first year and $20,000 for the second. As a result, Dubuque now has the ninth largest theological book collection in the nation for the use of the students of the seminaries, college students and the general public.

The funding of similar cooperative programs continues to have a first priority in the Foundation's grant program.

Assessment of the Program: The record makes clear that the Wahlert Foundation's program has not only brought to its home community educational advantages that would otherwise have been unattainable but also has raised to a high level the spirit of cooperation within Dubuque's educational community that has had many other favorable effects.

For Further Information: Chairman, Executive Committee, Wahlert Foundation, Dubuque Packing Co., 16th and Sycamore Streets, Dubuque, IA 52001.

Entered by: University of Dubuque.

10

Low-Cost Loans That Build Endowment Funds

The Sponsor: The Equitable Life Assurance Society of the United States, New York, N.Y.

The Program in Brief: Equitable played a leadership part in forming a consortium with eight other insurance companies to lend a large sum of money at low interest rates to an endowment fund established for six black colleges. An equal sum was contributed by the colleges from their gift incomes and other sources. The total sum was invested to produce substantial annual net income for the participating institutions. Eventually the income also will discharge the debt, which projects at least a doubling of the net worth of the endowment fund.

History of the Program: The plan was conceived and developed by Dr. Frederick D. Patterson, retired president of Tuskegee Institute and founder of the United Negro College Fund. Essentially, the first stage of the plan combined $2.4 million of loan money borrowed from the insurance companies at low interest with $2.4 million of gift funds from the colleges and the United Negro College Fund and provided for the investment of this money in high-grade, long-term securities.

The Equitable originally committed $1 million to the program and a total of $1.4 million additional money was committed by eight other companies. These are the American Republic Insurance Co., Des Moines, Iowa; the Booker T. Washington Insurance Co., Birmingham, Ala.; Fidelity Banker's Life Insurance of Virginia, Home Beneficial Life Insurance Company and Life Insurance Company of Virginia, all of Richmond; the North Carolina Mutual Life Insurance Co., Durham, N.C.; the Southwestern Life Insurance Co., Dallas, Tex.; and the Universal Life Insurance Co., Memphis, Tenn.

The six United Negro College Fund members participating in Group One of the program were Bishop College, Fisk University, Rust College, Saint Augustine's College, Tuskegee Institute and Virginia Union University. Other groups, with additional loans and endowment investments, have been formed, also involving insurance companies. In all, the combined endowment funds total $6.7 million and the insurance loans more than $7 million, with $5 million more pledged. The Equitable's loan participating share has risen to $2 million.

Under the plan, the colleges pay interest only on the loan during the first 15 years and use the rest of the annual income for unrestricted purposes. Beginning in the 16th year, the colleges begin to repay the principal, in addition to interest. After the loan has been retired, the colleges own the entire investment. For $350,000 of gift money and $400,000 of loan money, it is estimated that each college eventually will have an endowment, after all the return of the loan principal, that will amount to at least $1,150,000.

Assessment of the Program: "The College Endowment Funding Plan projects a practical way for a college or a group of colleges to increase and stabilize current income and, in the long run, to generate endowment. It is designed to serve especially the small private colleges that are often at unusual disadvantage in today's higher education finance. CEFP is in the tradition of the American free-enterprise system, combining the volunteer philanthropic-entrepreneurial-financial strengths of the American setting to provide colleges, through self-help, with a new measure in fiscal stability."—Dr. Luther H. Foster, President, Tuskegee Institute.

For Further Information: Director, Corporate Support Programs, Equitable Life Assurance Society, 1285 Avenue of the Americas, New York, NY 10019.

Entered by: The Equitable Life Assurance Society.

11

The Bread Pan That Went to College

The Sponsor: Hotwork, Inc., Lexington, Ky.

The Program in Brief: As a result of research and experimentation by a university's technical staff, a new line of commercial products was developed. A corporate partner was found to provide the necessary capital investment and to produce and market the products successfully, creating a continuing source of income for the institutional partner in the enterprise.

History of the Program: A cookbook published in the early 1970s endorsed the use of ordinary earthenware flower pots as baking vessels that produced homemade bread of exceptional consistency and taste. The author, Linda Wasserstein, and her husband, a graduate of Alfred University, called her experiments to the attention of a Professor of Ceramic Design at Alfred and the Director of its Research Foundation.

A design was developed and an experimental bread pan was made from local Davonian shale, which is unique and is available in the Alfred area. It was tested at a ceramic pilot plant on campus. A new use for a very old Roman coating called *terra sigillata* made it possible to patent the non-sticking feature of the new bread pan and thus enhance the marketing potential for the item.

Production of the "Brick Oven Bread Pan That Went to College" was started in a pilot plant and a period of market-testing began. During this process, the students in the Alfred College of Ceramics and the School of Business and Administration also were involved and received first-hand experience in production, quality control, marketing, distribution, etc.

At this point, it was decided the project was ready for commercial introduction. Since ceramics was the business of Hotwork, Inc., headed by Robert K. Burger, an alumnus and trustee of Alfred, he was approached and agreed to invest in further research and the construction of facilities to produce the line. Initial production began in 1979 and included not only the bread pan but also baking vessels for quiche, lasagna, souffles, au gratin dishes and roasting, with further expansion of the line following.

Under its licensing royalty agreement, Alfred received $19,000 in the first year of 1979, with its annual income soon passing the $75,000 mark. Production facilities have been expanded as sales rose.

Assessment of the Program: The combination of helping students learn through practical experience, supporting free enterprise, bringing public credit and attention to the college and aiding its finances in the way any permanent endowment performs has great merit. It may encourage other college administrators, researchers and businessmen with imagination and foresight to initiate similar opportunities for productive partnerships.

For Further Information: President, Hotwork, Inc., Gold Rush Road, Lexington, KY 40503.

Entered by: Hotwork, Inc.

12

Leveraging Dollars With Leadership

The Sponsor: INA Foundation (Insurance Company of North America), Philadelphia, Pa.

The Program in Brief: To initiate, through money grants, a career program in insurance for black students and to augment this with intensive support in the areas of course development, instruction, recruiting, scholarship aid and leadership in mobilizing industrywide participation in behalf of the program.

History of the Program: In 1977, the INA Foundation decided that it should initiate a program to provide an opportunity for minority students to major in insurance. It was recognized that there were almost no insurance courses available at the undergraduate level. It was learned that Howard University was very interested in developing a new insurance education program in its School of Business and Public Administration.

In response to this, an initial grant of $30,000 was made to get the program underway in 1977 and this was followed up with a four-year pledge of $76,000 per annum, commencing in 1978. This made it possible for Howard to start the program a year earlier than originally planned.

The INA Foundation and the INA Company also agreed to provide broad support for the program in other ways. These were:

1. An insurance industry support committee was organized under the direction of the Vice Chairman of the Board of the INA Company to solicit participation of the entire insurance business.

2. A network of contacts was established to identify well-qualified high school seniors who might have an interest in a professional insurance career. Recruitment activities include meetings for and personal visits with high school students and counselors, mailings to high school counselors, mailings to minority employees of insurance companies, general press releases, individual assistance to Howard alumni associations located throughout the country, cooperation with other organizations granting scholarships such as the James S. Kemper Foundation, close cooperation with the National Achievement Scholarship Program, mailings to the top students taking Scholastic Aptitude Tests who express an interest in business occupations and personal references by students presently attending Howard. Advanced students were attracted to the program through direct contacts of visiting company personnel with the Howard undergraduate student body.

3. Summer internships are secured for students through direct contact with insurance companies.

4. Scholarship aid from various sources is being obtained for students on a needs basis.

Objectives of the program include: graduation of 30 students each year from the School of Business and Public Administration with each graduate having had at least two summer internships in insurance and also having passed two professional insurance examinations and completed three academic insurance courses.

Assessment of the Program: The INA Foundation grants have created a permanent mechanism to supply the insurance business with a steady flow of well-qualified black trainees for managerial and professional positions.

For Further Information: President, INA Foundation, 1600 Arch Street, Philadelphia, PA 19101.

Entered by: The INA Foundation.

13

Often Better Than Cash— Gifts in Kind

The Sponsor: Innes Brothers, Thomaston, Conn.

The Program in Brief: To substitute significant gifts of goods or services for direct financial aid to education when a smaller company's ability to contribute dollars is necessarily limited.

History of the Program: What is known at Post College, Waterbury, Conn., as the Innes Brothers "Dirty Gift" was born one muddy, early spring day in 1978 as Allen Innes, president of Innes Brothers, small grading and paving contractors, and Harold G. Harlow, president of Post College, toured the 65-acre campus at Waterbury. It was evident that sizable areas needed grading or paving and gravel, fill and dirt to make them usable. Mr. Innes could consider only a modest cash gift. But on an in-kind basis, he realized he could do a total improvement job using his men and his gravel, fill, sand and dirt—25 to 50 times the value of any possible cash gift. If the College had contracted the job, costs would have been substantially higher than Innes' costs because there would have been a profit factor to pay in addition to the actual cost of the job.

The cash value of the Innes gift exceeded $75,000 and greatly expanded two parking areas, provided a base site for future Management Center and Physical Education buildings, began basic work on a new athletic field, provided improved drainage in a number of key areas and performed general grading for aesthetic improvements and future landscaping.

Post has continued to solicit support in the form of gifts in kind. Some have been used directly. Others have been sold for cash or bartered for needed goods or services. Here are a few of the in-kind contributions the college has obtained: paint from a paint manufacturer; an unused industrial building/land complex; rooms and facilities (including phones, light and heat) for off-campus instruction, meetings and fund raising; fund-raising fashion shows by a leading area specialty shop, and surplus industrial heating boilers and fuel tanks from a small manufacturer.

Assessment of the Program: The Innes gift not only substantially improved the campus setting at Post College, it also pioneered a very successful in-kind gift solicitation program for the College. It serves as an example of a practical way in which significant support for education can be obtained from small- or medium-sized business enterprises that are unlikely prospects for substantial cash contributions.

For Further Information: Development Office, Post College, 800 Country Club Road, Waterbury, CT 06708.

Entered by: Post College.

14

Putting Corporate Scholarships on a Permanent Footing

The Sponsor: Kaiser Aluminum and Chemical Corporation, Oakland, Cal.

The Program in Brief: Endowed scholarships have been established at 20 selected universities at an initial cost of more than $3 million. The funds are allocated on a percentage basis among seven designated disciplines and are awarded to students demonstrating high degrees of merit and promise with preference being given to qualified members of minority groups.

History of the Program: In 1980, Kaiser Aluminum and Chemical Corporation made distributions to 20 universities and colleges, located throughout the United States, to provide permanently endowed scholarships for undergraduates. The institutions select the recipients of these scholarships within guidelines established by the donor as to the disciplines involved. These are business and related studies, engineering programs, computer science, employee relations, industrial hygiene, safety and transportation. Most awards are to be made in the engineering areas. The institutions fix the amount of each award according to need and merit. Special emphasis is given to scholarships for women and minority students, particularly in the business and engineering fields.

In the first year, 45 scholarships were awarded under the program. The amounts granted to the participating institutions varied. The University of California at Berkeley received $360,000. Each institution assumes responsibility for the investment of the grant it receives.

In addition to the endowed scholarship program, Kaiser also established 19 non-endowed scholarship programs in 1980, resulting in the award of 28 scholarships.

Assessment of the Program: Aside from its unusual generosity, the Kaiser program provides a new and strong measure of continuing support for the scholarship programs of the benefiting institutions. It also is directed at increasing the opportunities for the education and entry of women and minority students into careers in areas of special importance to business and industry. Historically, private donors have long been the sources of endowed scholarships but this has not been the fact with respect to major corporate programs.

For Further Information: Contributions Director, Kaiser Aluminum & Chemical Corp., 300 Lakeside Drive, Oakland, CA 94612.

Entered by: University of California, Berkeley, Cal.

15

A New Gift-Matching Constituency

The Sponsor: Lutheran Brotherhood, Minneapolis, Minn.

The Program in Brief: The Lutheran Brotherhood, a fraternal benefit (insurance) organization, developed a unique version of the matching-gifts-to-education concept—offering to match gifts to education made by their life, health or annuity policyholders or the shareholders in their mutual fund.

History of the Program: The proposal to extend the matching gifts idea to a partnership with their customers was developed by the management of the Lutheran Brotherhood in 1977. It was initiated on a pilot basis in that year with gifts to only one Lutheran college being matched. In 1979, the program was expanded to include all Lutheran colleges in the United States and, in 1980, Lutheran seminaries also were included. Because of its strong denominational associations, the organization does not expect to extend the program beyond the Lutheran groups. Some 70 such institutions are eligible to have gifts matched.

Contributions in cash or securities by any insurance or mutual fund patrons of the organization to the eligible institutions are matched in amounts between $10 and $100 in any year by any individual. If an individual contributes more than $100 to an institution, additional amounts of $100 each will be matched in the names of the donor's spouse and dependent children. If a member or members of a contributor's immediate family are Brotherhood members but the contributor is not, his gifts will be matched in their names within the same dollar limitations.

A well-conceived administrative procedure for handling the diverse sources of gifts has been worked out by the Brotherhood and a complete instruction booklet has been prepared and distributed to all members. It is available from the Fraternal Division, Lutheran Brotherhood, 701 Second Avenue South, Minneapolis, MN 54402.

In 1979, the Brotherhood matched nearly $500,000 in gifts by 8,000 individuals.

Assessment of the Program: The concept of extending the employee matching gift idea to customers or other individuals with special relationships to a business enterprise, such as stockholders, is a striking and challenging one. If it were to gain significant acceptance in the corporate world, it could prove to be one of the most productive sources of additional funds in support of higher education to evolve during the entire history of the aid-to-education movement. The program may have the most feasibility for non-profit organizations, with special associations to its customer body, such as those of the Lutheran Brotherhood, but it also may be adaptable in other quarters if administered under properly controlled conditions.

For Further Information: Fraternal Division, Lutheran Brotherhood, 701 Second Avenue South, Minneapolis, MN 54402.

Entered by: Christ Seminary Seminex, St. Louis, Mo.

16

A Scoring Play For a Local College

The Sponsor: The Miami Dolphins, Ltd., Miami, Fla.

The Program in Brief: Recognizing the common debt major league sports enterprises owe to their home communities and to the institutions of higher education that produce most of their players, the Miami Dolphins Football Club launched a program of development and support for the neighboring Biscayne College.

History of the Program: The management of the Miami Dolphins in 1978-79 encouraged and made possible the establishment of a Master of Science degree in Sports Administration at Biscayne College and also has developed a well-rounded program of financial, instructional and public relations support for the College in a broad sense. Highlights of the total program are:

1. The Master of Science degree in Sports Administration is designed to prepare students for careers in professional, college, secondary, and community sports through two concentrations: One is Professional or School Management concentration, the other is Leisure Time Management.

Dolphins management personnel conduct classes and lectures in the classroom. The purpose of this phase of the sports administration program is to provide students with an actual working knowledge of the daily operation necessary to develop sound management skills for an unusually complex corporation. Discussions are conducted on such subjects as: finance, merchandising and marketing of ticket sales, public relations, player personnel, contract negotiations, scouting, travel arrangements, handling of equipment, operation of concessions and the relationship of the management staff to the coaching staff.

2. The Dolphins organization has developed an academic internship program which permits students to witness and observe management in action.

3. The club employs students to work all home games as ushers, vendors, etc. This employment provides financial assistance to students enrolled in the sports administration program and others. One student refers to money earned as "my walking-around capital."

4. The Dolphins sponsor an annual golf tournament, inviting local community golfers to play with Dolphins' players and coaching staff for a fee. All monies realized from the tournament are donated to the College.

5. The Dolphins lend their prestige in the community and their name stars to assist in public relations activities and publicity for many worthwhile College functions and for its fund-raising projects.

6. The club also contributes annually to an endowment scholarship fund for minority students and the College's athletic program.

Assessment of the Program: Especially in the sports of major league football and basketball, but in others as well, the commercial enterprises involved rely to a surpassing degree on the nation's colleges and universities to serve as their sources or "farm teams" for the development of the playing personnel on which they depend for their existence. It is most appropriate that one such enterprise has developed an intimate, innovative and supportive relationship with a local educational institution, setting an example others could emulate on either a local or broader scale.

For Further Information: Managing General Partner, The Miami Dolphins, Ltd., 330 Biscayne Blvd., Miami, FL 33132.

Entered by: Biscayne College.

17

Donations to Produce Doctors

The Sponsor: The Stackpole Hall Foundation (Stackpole Carbon Company), St. Mary's, Pa.

The Program in Brief: To provide the seed money to establish a regional program to increase the number of family physicians in the donor's medically underserviced home area.

History of the Program: The cooperative Gannon College-Hahnemann Medical College Family Physician Education Program was established to improve health care in rural Elk and Cameron Counties in northwest Pennsylvania. The main thrust of the program is to recruit medical students and assist them in completing their education to the end that they would establish their practices in the area, where there has existed a serious deficiency in the number of doctors available. Gannon College, a local institution, is the spearhead of the effort.

Gannon representatives presented a request to the Stackpole Carbon Company, a leading employer of the region. They asked for a grant to provide a stipend and expense money for a part-time coordinator for the program, who would work with a volunteer committee of civic leaders and would actively promote the recruiting of candidates. Funds also were requested to produce an audio-visual presentation, including equipment, for the coordinator's use before school, civic and other audiences.

The Stackpole Foundation made an initial grant of $10,000 for these purposes and made an advance contribution of $10,000 to launch a regional campaign to raise $100,000 or more as an endowment fund to provide scholarship funds for local medical students, either during their pre-medical work at Gannon or while attending Hahnemann Medical College. The Foundation also contributed $10,000 for direct scholarship aid to such students for 1979-80-81.

Assessment of the Program: This is an excellent example of the effectiveness of an innovative corporate contributions program that was applied strategically toward the solution of a critical local problem. It demonstrated that even a company of moderate size and with limited funds available can, with imagination and responsiveness, make its dollars accomplish a great deal.

For Further Information: President, The Stackpole Hall Foundation, St. Mary's, PA 16509.

Entered by: Gannon College.

18

Multiplying Support through Advertising

The Sponsor: Stedman Corporation, Asheboro, N.C.

The Program in Brief: To support the statewide fund-raising efforts of a small private college by underwriting an advertising campaign in its behalf.

History of the Program: Like all private educational institutions, Pfeiffer College, Misenheimer, N.C., is constantly seeking funds from businesses and individuals to support its operating budget and provide for extra needs. It relies primarily on sources within its home state, although its student body of approximately 1,000 is drawn from at least half the states of the union. Even within the boundaries of North Carolina, Pfeiffer must mount a continuing effort to gain visibility and recognition and to tell its story in competition with larger and better-known institutions.

W. David Stedman, president of the Stedman Corporation, manufacturers of men's and boys' clothing and chairman of Pfeiffer's board of trustees, offered to make a realistic attack on the college's development problems by creating and paying for a carefully-conceived advertising campaign to be published in the state's leading business magazine, *North Carolina*.

The advertisements appeared on a monthly schedule and each featured one of the business leaders of the state, who assessed the importance of Pfeiffer to the state and the broader educational community, endorsed it and made an appeal for financial support for the institution. Typical spokesmen were the president of one of the largest bank-holding companies in the state and the president of the state's largest public utility. Of course, each company featured in an advertisement had become a regular financial supporter of Pfeiffer.

Assessment of the Program: The Stedman Corporation's investment on behalf of Pfeiffer can be considered a "seed money" effort which is said to be having far-reaching effects, producing increased numbers of dollars from many sources for the institution.

For Further Information: President, Stedman Corp., South Fayetteville St., Asheboro, NC 27203.

Entered by: Pfeiffer College.

19

A Tax Windfall For California's Colleges

The Sponsor: United California Bank, Los Angeles, Cal.

The Program in Brief: To distribute to California's 24 liberal arts colleges, a substantial portion of the Bank's property tax savings from the adoption of the state's Constitutional Amendment known as Proposition 13.

History of the Program: Following the adoption in California in 1978 by popular initiative of Proposition 13, which restricted annual property taxes to one percent of the assessed "cash" value of property, the officers and directors of United California Bank determined that they would pass along to the private colleges of their state $500,000 of their resulting tax savings for the year. (Another $500,000 of the same savings was allocated to the United Way organizations in the communities where the Bank has offices.) The college grants were an addition to the Bank's already well-established and liberal ongoing support of higher education.

Officers of the Bank consulted with the administrators of Occidental College, Los Angeles, and presumably with others, seeking assistance in the development and framing of a program to distribute the designated funds in a way that would provide special help to students of lower-income families. It was a concern of the Bank's managers that the effects of Proposition 13 might be especially burdensome to families in this sector who might derive only minor tax relief and might, as in the case of public servants or beneficiaries of state welfare programs, actually suffer reductions in income because of enforced economies under the Proposition.

The Occidental officials recommended that the funds be used to meet the continuing and rising need for emergency loans to students with limited resources. Other institutions corroborated this need and it was decided that would be the direction the program would take. Accordingly, the funds were distributed through the independent college organizations of Northern and Southern California on an enrollment formula. The grants fell in the $20,000-$50,000 range per college.

The additions to each college's revolving emergency loan funds provide non-interest-bearing loans to students who face increased educational and related expenses, including tuition, housing, transportation and other emergencies.

Assessment of the Program: "Through this program, United California Bank is making possible loans to students the Bank itself could never consider making. These loans made without collateral could never be approved by a bank." —Lee O. Case, Vice President for Planning and Development, Occidental College.

For Further Information: Contributions Director, United California Bank, 707 Wilshire Blvd., Los Angeles, CA 90017.

Entered by: Occidental College.

20

Expense-Cutting Programs That Pay Off Twice

The Sponsor: United States Steel Foundation (United States Steel Corporation), Pittsburgh, Pa.

The Program in Brief: Annual cash awards are made to recognize and reward cost-saving programs developed by individual institutions and implemented on campus.

History of the Program: Beginning in 1976, unrestricted cash grants funded by United States Steel Foundation have been paid to colleges and universities for cost-saving innovations and techniques that they have developed and implemented. This program has become a means of encouraging and giving recognition to, at the national level, successful institutional cost-saving ventures and of disseminating this information for the use of all institutions of higher education.

Each year, cost-reduction ideas that have been put into practice within the prior 12 months are solicited from all two- and four-year colleges within the United States. An independent jury then meets to select the winning entries (usually 15-20 each year) and cash awards are made, ranging from a top prize of $10,000 to several at $1,000 each. Winners are announced at the annual meeting of The National Association of College and University Business Officers each July and, immediately following the meeting, brochures summarizing the winning ideas are mailed to the president, physical plant officer and principal NACUBO representative of every two- and four-year college and university. These institutions are invited to contact NACUBO, which provides complete information regarding the winning awards to enable other institutions to take advantage of them.

Examples of award-winning projects are 1) a water-storage and heating system that uses electricity in off-peak hours to provide heat during peak demand hours, saving $107,000 annually; 2) a space-utilization and analysis of purchasing practices program that resulted in annual savings of $60,000; 3) a computerized preventive maintenance program with $84,000 estimated annual savings; 4) a limitation on the "open" hours of academic and related buildings, producing energy and maintenance-supervision savings of $137,000 in a year.

Assessment of the Program: After two years, 36 cost-reduction ideas had received awards, with annual savings amounting to $6.3 million. More than 1,200 inquiries from other colleges and universities have been answered related to the award-winning suggestions, and it is estimated by the Foundation that cost savings to other colleges and universities that have adapted for their own uses the award-winning entries have amounted to more than $60 million.

For Further Information: Executive Director, United States Steel Foundation, 600 Grant Street, Pittsburgh, PA 15230.

Entered by: U.S. Steel Foundation.

For further information about the Innovation Award Competition write: Arthur C. Kammerman, Vice President, Council for Financial Aid to Education, 680 Fifth Avenue, New York, NY 10019, or Med Serif, Vice President & Secretary, The C.I.T. Foundation, Inc., 650 Madison Avenue, New York, NY 10022.